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* Also Admitted In Texas

CHARLES G. BLAIZE, JR.
ASSOCIATE

August 26, 2002

Hon. James H. Welsh
Commissioner of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804

Re: OPERC 2 Sand, Reservoir A, OPERC 2 Zone,
Reservoir B; Gyro Zone, Reservoirs A & B;
Mound Point Field, Iberia Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of El Paso Production Company to the Commissioner of Conservation for the calling of a public hearing, after legal notice, pertaining to the following matters relative to the OPERC 2 Sand, Reservoir A, OPERC 2 Zone, Reservoir B; Gyro Zone, Reservoirs A & B; Mound Point Field, Iberia Parish, Louisiana:

OPERC 2 SAND, RESERVOIR A

1. To dissolve the OPERC 2 RA SUA created by Office of Conservation Order No. 822-D.
2. To consider such other matters as may be pertinent to the OPERC 2 Sand, Reservoir A.

OPERC 2 ZONE, RESERVOIR B

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the OPERC 2 Zone, Reservoir B, in the Mound Point Field, Iberia Parish, Louisiana;

2. To create a single drilling and production unit for the OPERC 2 Zone, Reservoir B, designated as the OPERC 2 RB SUA, as shown on the plat attached hereto;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created on a surface acreage basis of participation;
4. To allow the Commissioner of Conservation to reclassify the Reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation;
5. To consider such other matters as may be pertinent to the OPERC 2 Zone, Reservoir B.

The OPERC 2 Sand, in the Mound Point Field, Iberia Parish, Louisiana was previously defined in Office of Conservation Order No. 822-D, and is further defined as that gas and condensate bearing zone which occurs between the depths of 17,350' and 18,090', electric log measurements in the Huffco-CNG State Lease 340 - No. 1 Well, located Offshore Iberia Parish, Louisiana.

GYRO ZONE, RESERVOIR B

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Gyro Zone, Reservoir B, in the Mound Point Field, Jefferson Davis Parish, Louisiana;
2. To dissolve the Gyro RA SUA created by Office of Conservation Order No. 822-D and to simultaneously create a single drilling and production unit for the Gyro Zone, Reservoir B, designated as the Gyro RB SUA, as shown on the plat attached hereto;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created on a surface acreage basis of participation;
4. To allow the Commissioner of Conservation to reclassify the Reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the

reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation;

5. To consider such other matters as may be pertinent to the Gyro Zone, Reservoir A and the Gyro Zone, Reservoir B.

The Gyro Zone was previously defined in Office of Conservation Order No. 822-F.

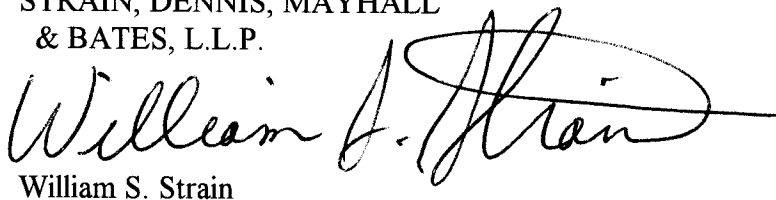
No request for the pre-application conference was received and therefore it was not held. Accordingly, it is believed that there will be no opposition at the hearing. In addition to furnishing the legal notice to all Interested Owners, Represented Parties and Interested Parties, the applicant will provide for posting of the legal notice of the hearing and unit plat in a prominent place in the area of Mound Point Field. Additionally, the legal notice will be published in a newspaper of general circulation in the vicinity of Mound Point Field at least fifteen (15) days before the hearing date.

All pertinent data relating to this proposed application may be obtained **AT THE COST OF THE REQUESTING PARTY** from W. H. Robbins & Associates, Consulting Geologists, 140 Rue Beauregard, Suite 100, Lafayette, Louisiana, 70508, (337) 232-5004..

Since no change has been made to the proposal as shown on the plat attached to the pre-application notice, no plat is attached hereto. Enclosed to the Commissioner of Conservation and District Manager **ONLY** is a list of Interested Owners, Interested Parties and Represented Parties to whom a copy of this notice is being sent. Copies of this list will be provided upon request. A reasonable effort has been made to ascertain the names and addresses of all Interested Owners, Interested Parties or Represented Parties. Also enclosed is our check payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

STRAIN, DENNIS, MAYHALL
& BATES, L.L.P.



William S. Strain

WSS:mbw
Enclosures

cc: Mr. Richard Hudson
District Manager

Interested Parties
Interested Owners
Represented Parties

NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC

El Paso
SL 340
Q 1
18837'

PROPOSED
OPERC 2 RB SUA
(UNDRILLED)
± 1450 ACRES

El Paso
SL 340
Q 1
Prop. Loc.

UNIT TO BE DISSOLVED
OPERC 2 RA SUA
ORDER 822-D

McKean
SL 340
Q 2
18704'

Texas
SL 340
Q 1
13385'

Texas
SL 340
Q 15(C)
13469'

Amarillo
SL 340
Q 1
17952'

Amador
SL 340
Q 1
18255' UD
18253' VD

Texas
SL 340
Q 47
13032'

Amador
SL 340
Q 2
17000'

EXHIBIT NO.
DOCKET NO.

DATE:

EL PASO PRODUCTION COMPANY

MOUND POINT FIELD
IBERIA PARISH, LOUISIANA
PROPOSED UNIT
OPERC 2 ZONE

0 4000' 8000'

GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887

W. H. ROBBINS & ASSOCIATES
CONSULTING GEOLOGISTS
Lafayette, Louisiana (337) 232-5004



NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC

